Form (2)

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 994 / 2015 Date 6th , August 2015

This Permit is issued by the Myanmar Investment Commission according to the section 13 (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. SHYAM DAGA

(b) Citizenship INDIAN

(c) Address NO. 6/1, FLAT NO. 315, MANGALAYA RESIDENCIES, BENSON CROSS ROAD, BENSON TOWN, BANGALORE, KARNATAKA, INDIA - 560046

(d) Name and Address of Principal Organization ARCHIDPLY INDUSTRIES LIMITED NO. 29/2, G.K. MANOR, 1ST FLOOR, NEHRU NAGAR CIRCLE, SHESHADRIPURAM, BANGALORE, KARNATAKA, INDIA - 560020

(e) Place of incorporation REPUBLIC OF INDIA

(f) Type of Investment Business MANUFACTURING AND MARKETING OF COMMERCIAL FACE VENEER, CORE VENEER, SAWN TIMBER, TEAK VENEER & PLYWOOD

(g) Place(s) at which investment is permitted PLOT NO. 322, 323, MYAY TAING BLOCK NO. 49, WARTAYAR INDUSTRIAL ZONE, SHWE PYI THA TOWNSHIP, YANGON REGION

(h) Amount of Foreign Capital US$ 2.96 MILLION

(i) Period for Foreign Capital Brought in WITHIN TWO YEARS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total Amount of Capital (Kyat) EQUIVALENT IN KYAT OF US$ 2.96 MILLION

(k) Construction period 15 (FIFTEEN) MONTHS

(l) Validity of Investment Permit 30 YEARS

(m) Form of Investment WHOLLY OWNED FOREIGN INVESTMENT

(n) Name of Company Incorporated in Myanmar WARTAYAR VENEER INDUSTRIES PRIVATE LIMITED

Chairman

The Myanmar Investment Commission

ပုံစံ (၂)

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၉၉၄/၂၀၁၅ ၂၀၁၅ ခုနှစ် ဩဂုတ်လ ၆ ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော် နိုင်ငံခြား ရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃၊ ပုဒ်မခွဲ(ခ)အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူ၏အမည် MR. SHYAM DAGA

(ခ) နိုင်ငံသား အိန္ဒိယ

(ဂ) နေရပ်လိပ်စာ NO. 6/1, FLAT NO. 315, MANGALAYA RESIDENCIES, BENSON CROSS ROAD, BENSON TOWN, BANGALORE, KARNATAKA, INDIA -560046

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ ARCHIDPLY INDUSTRIES LIMITED NO. 29/2, G.K. MANOR, 1ST FLOOR, NEHRU NAGAR CIRCLE, SHESHADRIPURAM, BANGALORE, KARNATAKA, INDIA - 560020

(င) ဖွဲ့စည်းရာအရပ် အိန္ဒိယနိုင်ငံ

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား ဈေးကွက်ဝင် မျက်နှာပြင်သစ်ပါးလွှာ၊ မျက်နှာပြင်ကပ်သစ်ပါးလွှာ၊ သစ်ခွဲသား၊ ကျွန်းသစ်ပါးလွှာနှင့် အထပ်သား ထုတ်လုပ်ရောင်းချခြင်း လုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ်-၃၂၂၊ ၃၂၃၊ မြေတိုင်းရပ်ကွက်အမှတ်-၄၉၊ ဝါးတစ်ရာစက်မှုဇုန်၊ ရွှေပြည်သာမြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၂.၉၆ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိသည့်နေ့မှ (၂) နှစ် အတွင်း

(ည) စုစုပေါင်းမတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၂.၉၆ သန်းနှင့် ညီမျှသော မြန်မာကျပ်ငွေ

(ဋ) တည်ဆောက်မှုကာလ ၁၅ လ

(ဌ) ရင်းနှီးမြှုပ်နှံမှုခွင့်ပြုသည့် သက်တမ်း ၃၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ရာခိုင်နှုန်းပြည့် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် WARTAYAR VENEER INDUSTRIES PRIVATE LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

The Republic of The Union of Myanmar

Myanmar Investment Commission

No.(1), Thitsar Road, Yankin Township, Yangon

Republic of the Union of Myanmar ★ Myanmar Investment Commission ★ Sr.No. 600-a Date 6.8.2015

Our ref : DICA-2/ FI- 126/ 2015(600 - a) Tel: 01-658127

Date : 6th August 2015 Fax: 01-658136

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing of Commercial Face Veneer, Core Veneer, Sawn Timber, Teak Veneer & Plywood" under the name of Wartayar Veneer Industries Private Limited**

Reference: Wartayar Veneer Industries Private Limited Letter dated (27-5-2015)

1. The Myanmar Investment Commission, at its meeting (12/2015) held on (3-7-2015) had approved the proposal for investment in "Manufacturing of Commercial Face Veneer, Core Veneer, Sawn Timber, Teak Veneer & Plywood" under the name of "Wartayar Veneer Industries Private Limited" submitted as a wholly owned foreign investment by Archidply Industries Limited (19%), The Mysore Chipboards Limited (79%), Mr. Shyam Daga (1%), Mr. Sandeep Kumar Bharadia and Mr. Rangarajan Ramachettiar (1%) from India.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the Republic of the Union of Myanmar Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 30 (thirty) years. The term of the Lease shall be 30 (thirty) years commencing from the date of signing of the Lease Agreement for land and building and extendable for 10 (ten) years in 2 (two) times by mutual agreement between Daw Aye Aye Thwin and Wartayar Veneer Industries Limited. At the expiry of the leased period, Wartayar Veneer Industries Limited shall transfer the land and building to the

Lessor without any consideration, in good condition, ground damages have been refilled or repaired.

4. The annual rent for the land and building shall be US$ 11,000 (United States Dollar eleven thousand only), calculated at the rate of US$ 8.12 per square meter per year of the total land measuring 16260.27 square meters (4.018 acres). The rate of rent shall be revised in view of prevailing land lease rates after 5 (five) years period and increase of the rate shall not be more than 10% of the preceding annual rent.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27 (a), (h), (i) and (k) of the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section-27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section-27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instrument, machinery components, spare parts and materials used in the business which are imported as they are actually required for use during period of construction of business;

(c) As per section-27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section-27(k), exemption or relief from commercial tax on the goods produced for export;

6. Wartayar Veneer Industries Private Limited shall have to sign the Lease Agreement for land and building with Daw Aye Aye Thwin. After signing the Lease Agreement, (5) copies shall have to be forwarded to the Commission.

7. Wartayar Veneer Industries Private Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. Wartayar Veneer Industries Private Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. Wartayar Veneer Industries Private Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be granted more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if Wartayar Veneer Industries Private Limited cannot construct completely in time the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Wartayar Veneer Industries Private Limited shall endeavour to meet the targets for production stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law and the Wartayar Veneer Industries Private Limited has to follow the existing Labour

Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section-2(i) of the Foreign Investment Law, other than foreign currency.

16. Whenever Wartayar Veneer Industries Private Limited brings in foreign capital defined under Chapter I, section-2(i) of the Foreign Investment Law, other than foreign currency in the manner of paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Wartayar Veneer Industries Private Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Wartayar Veneer Industries Private Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Wartayar Veneer Industries Private Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct an Initial Environmental Examination (IEE) Process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and be abided by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. Wartayar Veneer Industries Private Limited is prohibited from importing (if any) the same species of wood available in Myanmar and shall have to apply for the establishment of private owned plantation for own consumption of raw logs at Forest Department, Ministry of Environmental Conservation and Forestry.

21. After getting permit from Myanmar Investment Commission, Wartayar Veneer Industries Private Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

22. Wartayar Veneer Industries Private Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments.

23. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made either out of

the local sales in Kyat currency or US$ and also from export earnings of Wartayar Veneer Industries Private Limited.

24. Wartayar Veneer Industries Private Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)

Chairman

Managing Director

Wartayar Veneer Industries Private Limited

cc: 1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Environmental Conservation and Forestry
5. Ministry of Electric Power
6. Ministry of Immigration and Population
7. Ministry of Industry
8. Ministry of Commerce
9. Ministry of Finance
10. Ministry of National Planning and Economic Development
11. Ministry of Labour, Employment and Social Security
12. Central Bank of Myanmar
13. Office of the Yangon Region Government
14. Director General, Immigration and National Registration Department
15. Director General, Department of Environmental Conservation
16. Director General, Forest Department

17. Director General, Directorate of Industrial Supervision and Inspection
18. Director General, Customs Department
19. Director General, Internal Revenue Department
20. Director General, Directorate of Trade
21. Director General, Directorate of Investment and Company Administration
22. Director General, Directorate of Labour
23. Director General, Fire Service Department
24. Managing Director, Myanma Timber Enterprise
25. Managing Director, Myanma Electric Power Enterprise
26. Managing Director, Myanma Foreign Trade Bank
27. Managing Director, Myanma Investment and Commercial Bank
28. Managing Director, Myanma Insurance
29. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)
